

**INTERLOCAL AGREEMENT BETWEEN KING COUNTY AND THE CITY OF
SNOQUALMIE
FOR COST SHARING OF US ARMY CORPS OF ENGINEERS SECTION 205
SNOQUALMIE RIVER FLOOD CONTROL PROJECT**

**I
RECITALS**

1.1 On December 17, 1996, King County (the County) and the City of Snoqualmie (the City) executed an interlocal agreement entitled "Interlocal Agreement Between King County and the City of Snoqualmie for the Joint Local Sponsorship of the U.S. Army Corps of Engineers Section 205 Snoqualmie River Flood Control Project." The purpose of that interlocal agreement was to establish joint local sponsorship of a proposed flood control project and to provide for cost sharing of the U.S. Army Corps of Engineers (the Corps) project feasibility study.

1.2 The Corps published its feasibility study in December 1999, entitled "Final Detailed Project Report and Environmental Assessment for the Snoqualmie River at Snoqualmie Flood Damage Reduction Study in King County, Washington." The feasibility report concluded that a flood reduction project with three elements (right bank widening, left bank widening and removal of abandoned railroad bridge) would be feasible and cost effective.

1.3 On the basis of the feasibility report, the Corps has produced plans and specifications for the proposed flood control project. The estimated project costs is Three Million Five Hundred Sixty-one Thousand Dollars (\$3,561,000), of which up to 65% will be paid by the Corps and the remainder, at least 35%, will be paid by the local sponsor. Prior to solicitation of bids for the project, the Corps requires that the local sponsor execute a Project Cooperation Agreement. The proposed Project Cooperation Agreement for the Corps 205 Snoqualmie River Flood Damage Reduction Project is attached hereto as Exhibit A.

1.4 The County and City have agreed to jointly fund, with a contribution from the Corps, a downstream mitigation program associated with the project with a joint contribution of Two Hundred Thirty One Thousand Dollars (\$231,000.00), notwithstanding that the Corps has included only One Hundred Fifty Thousand Dollars (\$150,000) as project costs in the project budget and will be obligated for only Ninety Seven Five Thousand Hundred Dollars (\$97,500) toward the downstream mitigation program. The total amount to be expended for the downstream mitigation program is Three Hundred Twenty-eight Thousand Five Hundred Dollars (\$328,500).

1.5 The County will be the designated "local sponsor" for purposes of signing the Project Cooperation Agreement with the Corps; however, the County and City desire to continue their joint local sponsor relationship as between themselves, and to share the

local sponsor's financial obligations equally, as set forth in this agreement, which is made and entered pursuant to the Interlocal Cooperation Act, chapter 39.34 RCW.

On the basis of the foregoing premises, and in consideration of the mutual undertakings of the parties herein, the parties agree as follows:

II AGREEMENT

2.1 King County, through the Water and Land Resources Division of the Department of Natural Resources, shall serve as the nominal local sponsor of the Corps Section 205 Snoqualmie River Flood Control Project, and shall execute the Project Cooperation Agreement on behalf of the local sponsor.

2.2 King County and Snoqualmie shall be joint local sponsors of the Corps Section 205 Snoqualmie River Flood Control Project for all purposes other than those specified in section 2.1, and shall jointly exercise all rights and responsibilities of the local sponsor under the Project Cooperation Agreement and in all other matters related to the project. The County will share with the City any status reports or other information that may be delivered to the County as the official project sponsor. The County will further seek consensus with the City on significant actions or decisions.

2.3 The County and the City shall each contribute fifty percent (50%) of the local match, which is estimated to be One Million Two Hundred Forty-six Thousand Three Hundred Fifty Dollars (\$1,246,350), or Six Hundred Twenty-three Thousand One Hundred Seventy-five Dollars (\$623,175) for each. The actual local cost may exceed this amount, and the County and City shall each pay fifty percent (50%) of the actual local cost, up to the cap on the local match as set forth in the Project Cooperation Agreement. Each party shall be responsible for payment of their respective share by check or warrant at such times as payments are due pursuant to the Project Cooperation Agreement.

2.4 The County shall appoint an equal number of City and County representatives to the Project Coordination Team established in Article V of the Project Cooperation Agreement. The City shall designate the City appointees.

2.5 The County shall administer the downstream mitigation fund referred to in the Project Cooperation Agreement, which establishes local and federal cost shares totaling One Hundred Fifty Thousand Dollars (\$150,000) for the fund. This amount is included in the cost shares specified in Section 2.3 above. In addition to the amounts specified in Section 2.3, the County and the City shall each contribute Eighty-nine Thousand Two Hundred Fifty Dollars (\$89,250) to the downstream mitigation fund, which will total Three Hundred Twenty Eight Thousand, Five Hundred Dollars (\$328,500), including the sum of Ninety Seven Thousand Five Hundred Dollars (\$97,500) for which the Corps is obligated. The County's expenses for administering the fund shall count as part of its contribution to the fund. The City shall pay the County a

total sum not to exceed its contribution of One Hundred Fifteen Thousand Five Hundred Dollars (\$115,500) in one or more payments payable at such times as to enable the County to accomplish the downstream mitigation program. The County shall require payment by the City neither in greater amounts nor sooner than ninety days prior to the time such funds are to be expended by the County for mitigation program purposes. The County shall return to the City their proportional share of any surplus of the City's contribution that might remain when the County closes out the downstream mitigation fund.

2.6 The County and City shall share equally in the responsibility for project maintenance as specified in the Operations and Maintenance Manual to be prepared by the Corps. It is the specific understanding of the County and City that maintenance will be as specified in section 6.02 of the feasibility study, i.e., the project is expected to require only occasional maintenance approximately once every ten to twenty years, at an annualized cost of approximately Three Thousand Dollars (\$3,000). To the extent that the maintenance obligations require future appropriations beyond current appropriation authority, such obligations are contingent upon the appropriation of sufficient funds to complete such maintenance. If no such appropriation is made, the obligations contained in this section 2.6 will terminate. If maintenance varies significantly from this estimate, any obligation of either the County or City above such amounts shall require further specific authorization by the respective legislative body of each.

2.7 The City shall acquire permanent real estate rights for maintenance and operation of the project at the expiration of the ninety year lease from the State of Washington Department of Natural Resources in 2093 for those project lands lying within the bed of the Snoqualmie River if so directed by the Corps of Engineers.

2.8 The County and City agree to seek in good faith the resolution of issues through negotiation and other forms of non-binding alternative dispute resolution mutually acceptable to the parties. In the event disputes cannot be so resolved, the County and City shall forward the dispute to their respective Executive Officers for resolution.

2.9 No separate legal entity is to be created nor is any property to be jointly acquired or owned pursuant to this agreement.

2.10 Each party shall protect, defend, indemnify, and save harmless the other party, and that other party's respective officers, officials, employees, and agents while acting within the scope of their employment as such, from any and all costs, claims, judgments and/or awards of damages, arising out of or in any way resulting from such party's own negligent acts or omissions. Each party agrees that its obligation under this section extend to any claim, demand and/or cause of action brought by or on behalf of its employees or agents against the other party. For this purpose, each party, by mutual negotiation, hereby waives with respect to the other party only any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW. In the event that any party incurs any judgment, award or cost arising

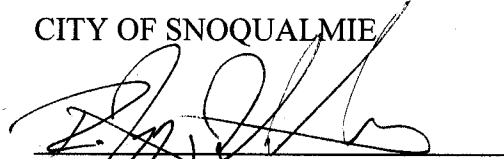
therefrom, including attorney's fees, to enforce the provisions of this section, all cash fees, expenses and costs shall be recoverable from the responsible party to the extent of that party's culpability.

2.11 This agreement shall be effective immediately upon execution by both the County and City, shall remain in full force and effect for the life of the project, including any required maintenance period, and may be amended only by written agreement of both parties authorized by their respective legislative bodies.

KING COUNTY


King County Executive

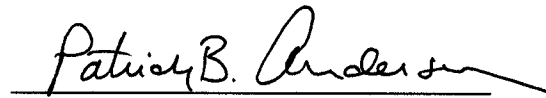
CITY OF SNOQUALMIE


Mayor

Approved as to form:


Deputy Prosecuting Attorney

Approved as to form:


City Attorney